

Green Mountain Care Board
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By electronic mail

July 1, 2019

Ryan Long, Esq.
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P.O. Box 1489
Burlington, VT 05402-1489

Re: Motion for Clarification Regarding L&E's June 18, 2019 Objection Letter No. 3

Dear Mr. Long,

I am writing regarding the above-referenced motion filed by MVP Health Plan, Inc. (MVP) on June 25, 2019. The motion relates to Question 1 of Objection Letter No. 3. A version of this question was initially suggested by the Office of the Healthcare Advocate (HCA) pursuant to 18 V.S.A. § 4062(c)(3)(A). The question asked MVP to complete a table containing proposed rates and rate components, allowed (ordered) rates and rate components, and actual rate components for MVP's Vermont Health Connect rate filings going back to 2017. In its motion, MVP asserts that two of the rate components in the table, medical utilization and medical unit cost, are highly complex concepts and that calculating a single value for these components would not completely answer the question and could lead to misleading results. MVP asserts that the code of professional conduct that applies to actuaries requires actuaries to take reasonable steps to ensure that their services are not used to mislead other parties. The motion asks for clarification as to whether the Board requires MVP to calculate a single value for medical utilization and medical unit cost, notwithstanding MVP's position that any such value could be misleading.

I am unable to understand from the motion and accompanying affidavit why it would be misleading to provide a single number for actual medical utilization and medical unit cost trends when MVP can estimate these trends as part of the rate development process. MVP is free to caveat its response to the extent it has concerns that a single number for actual trends would be misleading. With appropriate caveats or qualifications, I do not believe that responding to the question would violate the code of professional conduct. The code merely requires actuaries to take reasonable steps to present actuarial communications clearly and fairly and to include, as appropriate, limitations on the utilization of the communications.

Thus, as requested in the motion, I am writing to clarify that MVP must respond to the June 18, 2019 question seeking actual medical unit cost and medical utilization trends. The response should be submitted no later than July 8, 2019. In its response, MVP may provide any caveats or qualifications that it feels are necessary to prevent the response from misleading the Board or the HCA. Please be aware that under Rule 2.000, § 2.304(d), failure to respond by July 8, 2019 may result in dispositive orders on one or



more issues, limitations on the introduction of evidence on one or more issues, and/or other orders.

Sincerely,

/s/ Michael Barber

General Counsel
Green Mountain Care Board

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